PRICE TWO CENTS.

SATURDAY, JUNE 8, 1908. Fair to-day and to-morrow; north to east winds.

## MAY BE STEP TOWARD PEACE.

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Conference Between Cassini and Roosevelt Is So Considered.

AMBASSADOR IS EVASIVE.

But Says Russia Cannot End the War at This Time.

ometal Washington Regards His Visit to the White House as Significant and Thinks That Internal Troubles in the Crar's Dominions Will Soon Force Matters to a Head-Japan Ready to Treat if Russia Will Cry Enough, and Russia Knows This-No Intimation as Yet From Our Legation at Tokio or St. Petersburg That It's Time to Call a Halt in the Conflict of Arms

WASHINGTON, June 2 .- The visit of Count Cassini, the Russian Ambassador to the United States, to the White House this afternoon, extending a little over half an hour, is being regarded in Washington as the first step toward the resumption of peace between Russia and Japan.

From the White House there is no comment on the conference between the Czar's representative and President Roosevelt. Count Cassini denies that there is any significance whatever attached to his visit. which he characterizes as being merely an official call of the kind he makes peri-

Coming at this time, however, when there is much talk of peace but few or no real indications, the visit of the Russian diplomat must necessarily be regarded as eignificant. The President and Count Cassini undoubtedly talked over the situation, and President Roosevelt, equally beyond doubt, defined his position regarding the ending of hostilities.

A high Government official said immediately after the Cabinet meeting to-day that there was absolutely nothing to indicate that any definite move was being made ward bringing about an end to the war.

Count Cassini went to the White House at 2:30 o'clock and left shortly after 3 o'clock. He afterward declared he had no instructions or indications of any desire on the part of the Czar to make peace and had transmitted nothing of any nature from his

"My visit to the White House this afternoon should not be treated as a matter of great importance, nor as a step toward the ending of the war. I have had no instructions from my Government. The visit with the President had no more significance than any visit I have made for the last two or three months, the President and I merely talking over general matters, and there was nothing like reaching a definite conclusion on anything. I endeavor to see President Roosevelt every little while, and I called on him to-day only

"Russia cannot make peace at this time The great naval disaster we have suffered can make no difference in our attitude toward ending the conflict in the Far East. As I have said more than once before, Russia was not responsible for the bringing on of this war; her very unpreparedness hears frequent evidence to the fact.

"On the other hand, the Japanese were very well prepared. The inference is obvious. Russia has aways been for peace, but no matter how much a great nation may desire to preserve peace, it must fight when it is forced into war We must fight on. Our resources are not exhausted and Russia is by no means defeated."

The repeated emphatic assertions of the Russian Ambassador that his Government will not end the war are having some effect on official Washington, which can now see wherein the Russian Government can continue the fight in Manchuria, even

though defeats are apparently certain. Russia is considered by some to be, so far as the conditions which would force her to end the war are concerned, in the same condition as before the battle of the Japan Sea, when Russia's vast fleet was as good as useless in the China Sea. The naval engagement, disastrous as it was, does not affect the status of the situation in Manchuria, save for the effect such a disastrous defeat will have on the soldiers. Vladivostok is regarded as as great a stronghold as Port Arthur, and one which will cost

the Japanese as much to capture. It is confidently expected by many in Washington that the internal affairs in Russia will assume such shape and proportions that Russia will be forced to end the war. Bad as conditions are now, it is thought that when a realization of the meaning of the naval engagement strikes the people of Russia disastrous results will ensue which will simply force the war

party to terms. Then, too, there are likely to be persuading suggestions from other Powers; suggestions of such insistence, possibly, that Russia will simply have to succumb. Russia's internal conditions are expected to grow worse, and it is extremely doubtful

in the face of the storm which many officials of this Government and diplomats in Washington think is sure to come.

When President Roosevelt is ready to take some step toward making an end to the war, which will be when he has assurances that such steps will offend neither of the belligerents, he will probably act through Ambassador Meyer at St. Petersburg. There can be no doubt that Russia is fully aware that Japan will readily agree to bring an end to hostilities if Russia will take the first steps.

Both Ambassador Meyer at St. Petersburg and Minister Griscom at Tokio will transmit to the President at once any hint or suggestion that they receive of the attitude of either of the Governments to which they are accredited. Thus far, however, nothing has been received from either of them.

NO NATIONAL ASSEMBLY CALLED. Witte Says Council of Ministers Has

Adopted No Scheme to End War. Special Cable Despatch to THE SUN. ST. PETERSBURG, June 2 .- M. Witte, president of the Council of Ministers, gave an interview to a representative of the Slove after he had an audience with the

Czar at Tsarskoe-Selo. He said the Council of Ministers had adopted no scheme for a pational assembly. M. Boulvguine's other commission had not reached its final stage. He remarked upon the significance of the withdrawals from M. Kokovtseff's commission.

M. Witte refused to discuss the battle of the Japan Sea, leaving the impression with the interviewer that the Government was not prepared to attempt to meet the

There is no change to be recorded in the situation. Official sources of information on the question of war or peace are sealed up. The great mass of the people are as apathetic as ever.

It is only the intellectual class and the reformers who are clamoring for peace, in which they are supported by many newspapers. The cry for the convocation of the zemsky sobor, or people's assembly, grows stronger, but there is no response from the Czar. Meanwhile the capital is full of troops, there being probably more here than at any time since Feb. 22. Governor General Trepoff at least does not intend to share in the defeat of his fellow

There is much gossip concerning Russia's financial resources. The newspapers say the treasury is selling huge tracts of the State forests. It is rumored on the bourse that the Government proposed to float a popular loan, but the Imperial Bank declared the proposal inopportune.

It is also rumored that the Germans are refusing to cash Russian Treasury bonds. It is a remarkable feature that the rumors serve to strengthen the markets, creating the belief that peace is near.

LONDON, June 2 .- A despatch to the Exchange Telegraph Company from St. Petersburg says that the Liberal associations have issued a circular asking the public to participate in a demonstration that has been planned for Sunday next the object of which is to declare for peace.

The Municipality met this evening to

ROJESTVENSKY'S CAPTURE.

Was Found Bleeding Freely at Bottom of

LONDON, June 3 .- The Telegraph's corespondent at Sasebo, describing Admiral Rojestvensky's capture, says that when he embarked on the destroyer Biedovy the estroyer attempted to break away, first pointing her head one way and then another in her efforts to find a gap in the ring of the enemy's guns

The Japanese destroyer Sasanami advanced from the lines to meet the Biedovy, pouring a terrible fire into her at close range. The Biedovy became disabled and her steering gear was useless.

Admiral Rojestvensky and his chief of staff were wounded when they left the Kniaz Suvaroff and were wounded again on the Biedovy, the Admiral seriously.

The Sasanami's crew boarded the Biedovy and made all aboard of her prisoners. Admiral Rojestvensky was discovered last, at the bottom of the hold, bleeding freely. He is now in a special ward of the naval hospital at Sasebo, where Japanese naval surgeons are attending him. He has a shell splinter in his forehead and slight wounds in the back and legs. He is very

fatigued and pale. The converted cruisers Nippon Maru and Hongkong Maru, which were despatched to search the seas, laden with food and medical comforts, have returned. They saved more than 600 Russians. The total number of prisoners is now nearly

NIEBOGATOFF'S DISGRACEFUL SHOWING. The accounts received here of the surrender of Vice-Admiral Niebogatoff differ. The correspondent of the Telegraph at Sasebo describes it as a disgraceful episode. He says that an examination of his captured squadron shows that while the guns were rusty and painted red and the ships below the water line were covered with moss, there was no lack of actual

fighting resources There were heaps of ammunition. No trace of damage by Japanese shells was found. The surrender of the ships cannot

be accounted for. The firing of Niebogatoff's squadron was wild. None of the shells from his ships hit the hulls of the Japanese vessels. They only skimmed the masts and funnels. Thousands missed altogether. Many of the Russian shells fell on deck like bricks and failed to explode.

Of the three lost Japanese torpedo boats one had her hull twisted out of shape at Ineist upon having Burnett's Vanilla .- Adr.

if the war party can continue on its way the bow in consequence of a gallant, but vain attempt to ram a Russian cruiser.

The captain of the Dimitri Donskoi, in an interview, said:

"I am sure there is no navy in the world like the Japanese. The non-commissioned officers and the men are so cool and brave as to be almost demons not human. Their officers are equally calm, and are great strategists. Their whole combination on the sea is as immovable and as passive as a rock. We made a foolish mistake in trying to force the Tsu Shima Straits. Now I weep tears of regret."

ROJESTVENSKY WILL RECOVER His Wife Gets Word That His Wounds Are in Fair Way to Heal.

Special Cable Despatch to THE SUN ST. PETERSBURG, June 2.-Mme. Rojestvensky has received the following despatch from the director of the naval hospital at Sasebo

"By superior order I have the honor to inform you that the wounds of Admiral Rojestvensky are in a good way of healing. His temperature is normal. His wounds do not afford any ground for anxiety."

TO RELEASE NIEBOGATOFF. Mikado Wants Him to Take to Czar Report of Battle and List of Casualties.

Special Cable Despatch to THE SUN LONDON, June 3 .-- A despatch to the Times from Tokio states that the Emperor has ordered that Vice-Admiral Niebogatoff be released in order that he may take to the Czar a report of the battle of the Japan Sea and a list of the Russian casualties.

WOUNDED THROWN OVERBOARD.

140 Men Sacrificed on the Orel, Which Suffered Severely Before Capture.

Special Cable Despatch to THE SUN. TORIO, June 2.-It is reported that 140 hopelessly wounded men on board the Russian battleship Orel were thrown overboard during the battle because their agonies were seriously affecting the morale of the men who were working the guns.

The Orel, the largest prize taken by Togo, was brought to Maizuru on Tuesday. She was escorted by the Asama, which was in the lead, and the Asahi in the rear. A large crowd had assembled on the shore to see the prize, and she was greeted with loud and oft repeated banzais. Her sides bore over forty shell scars

Her forward port 12-inch gun was broken six feet from the muzzle and her forward funnel was destroyed. A launch aboard was literally honeycombed by shot.

Within and without the vessel is extremely foul. The hull below the water line is covered with rust and weeds. A shell burst in her engine room, compelling her surrender

Several Russians were found hiding in various parts of the ship, evidently fearing that they would be treated with cruelty.

A steamship has landed fifty-two Russian sailors on Mino Island, off the coast of the Province of Iwama.

ZEMTCHUG AND URAL SUNK. Russian Ships.

Special Cable Despaiches to THE SUN

Tokio, June 2.—The ninth report from Togo, received yesterday afternoon, says: "Ships sent northward to search for Russian ships returned yesterday. Iwate and Yakumo and other vessels sent southward to find Russian ships returned to-day. They thoroughly searched the Shanghai course, but found no Russian ship between Torijima and Shanghai.

"Rear Admiral Shimamura, on board the Iwate, reports: 'During the battle on May 27. at 3:07 P. M., Iwate vigorously attacked protected cruiser Zemtchug at a distance of 3,000 meters. Zemtchug sank in one minute.' The loss of the Zemtchug is therefore confirmed. During the engagement fire broke out on Zemtchug and smoke concealed the hull of the vessel. Consequently the remainder of our fleet were

unable to see the ship." LONDON, June 3 .- According to the Telegraph's Moji correspondent the Ural, the fate of which hitherto was not clear, was sunk by Japanese shells. After she was finally disabled a shell struck her and she remained afloat only forty minutes, during which time 500 of her crew, including her

captain, were transferred to a transport. Thirty-four men remained aboard of her and vainly tried to save her. These men embarked in a small boat just before the Ural sank. After being affoat for thirty hours they landed. All the officers and crew of the vessel are now at Moji. The officers say that three 12 inch shells alone caused the sinking of the Ural.

The Zemtchug was a protected cruise of 3,100 tons, of the same type as the Izumrud, which was blown up by the Russians Monday night after she had struck a reef in Vladimir Bay. She carried six guns. There were about 350 men in her crew The Ural was a merchant vessel which

had been converted into a cruiser. MIKADO'S VIRTUE, SAYS TOGO.

Disciaims Personal Credit for His Great Sea Victory Special Cable Despatch to TRE SUN

to the imperial rescript commending him and his men for their victory, says: "That we have gained success beyond our expectation is due to the brilliant virtue of your Majesty and the protection of the spirits of your imperial ancestors and not to the action of any human being. \* We shall

NOGI'S TROOPS CELEBRATE.

be faithful and answer to the imperial will."

Victorious Sea Fight. CHICAGO, June 2.- The Daily News tonight publishes a despatch from its corre-

spondent with Gen. Nogi, commander of the Japanese troops in Manchuria, reading

"Gen. Nogi, his officers and the whole of the army celebrated the victory of Togo's card & King, at Number 400 Fifth Avenue.—Age.

fleet last night. Toasting the victorious fleet, Nogi reminded his hearers that they must not be too proud of their victories, for Japan had been aided by good fortune in addition to the bravery and loyalty of the fleet and the armies.

"The Emperor, he added, though desirous of peace, was prepared, if necessary, to prese the war to the utmost against the Russians, a brave and stubborn people. 'Thus far,' said Nogi, fortune has been with us; but we have still much to learn from the Western

"With customary foresight and diligence, war preparations continue at the front. There are rumors of peace. Nogi's outposts continue to maintain touch with the Russian army. The immediate military situation of the third army is unchanged."

JAPS SCORE LAND VICTORY. Attack Russians in Tsin Valley and Drive Them Back.

Special Cable Despatch to THE SUN. St. Petersbung, June 2 .- Under date of May 31 Gen. Linievitch reports:

"The Japanese began to advance on May 29 and attacked our troops in the Valley of the Tsin, three versts beyond Fenshu Pass. We retained the pass."

TO RELEASE THE LENA. Russian Cruiser Interned at San Francis co

to Be Used as a Hospital Ship. SAN FRANCISCO, June 2 .- The authorities

at Mare Island Navy Yard have received from Washington instructions to permit the Russian auxiliary cruiser Lena, now interned at the navy yard here, to proceed to Asiatic waters.

The Lena will go to Vladivostok for use as a hospital ship. The Lena will be pre pared for sea within a month and it is believed that her first destination will be Japan. There she will probably be used to convey any wounded Russian officers to Vladivostok.

After this the Lena is intended for use as a hospital ship at the Siberian port. Of course, the guns and munitions of war removed from the Lena when she arrived here will not be replaced as her career as an auxiliary cruiser seems to have ter-

CONDOLE WITH THE CZAR. Heads of European Governments Tele graph Him Their Sympathy.

Special Cable Despatch to THE SUN VIENNA, June 2.-The Emperor Francis oseph, the Kaiser, King Edward, King Victor Emmanuel and President Loubet have telegraphed to the Czar offering their condolences.

The Emperor Francis Joseph received

MAY ATTACK SHIPS AT WUSUNG. Jap May Fuldi Threat to Go In After the Eight Russian Colliers.

Special Cable Despatch to THE STN.
SHANGHAI, June 2.—Unless the Russian Consul is promptly instructed by his Government to consent to the interning of the eight Russian colliers and their crews at Wusung, in compliance with the demands of the Japanese Consul, trouble is threat-

her threat to send warships inside to enforce as shall be satisfactory." her demand. It is again stated that Vice- The board also voted that a chairman Admiral Kamimura is coming here for that

The Chinese are preparing quarters for the crews of the colliers in anticipation of

BAD GUNNERY BEAT RUSSIANS. Jap Experts Point Out How Human Agencies Helped Toward Victory.

Special Cable Despatch to THE SUN Toxto. June 2 .- While naval officers very generally adopt Admiral Togo's view that his victory was owing to superhuman agency, it being impossible for unaided human effort to secure such a marvelous result, scientific naval experts attribute it to the deplorable inaccuracy of the Russian gunof which the enemy finally ran short, the low power of their explosives, and the fact that the sun was behind the Japanese, who

also fired with the wind. Admiral Togo had also given his gunners long training in firing in rough seas. The quality of the Japanese explosives was

Russia Asks Germans for News of Losses.

TSINGTAO, June 2 .-- The Russian Governent is receiving scanty information of the Russian losses in the battle of the sea of Japan and has requested the German authorities at this port to telegraph information to St. Petersburg.

EIGHTEEN HOURS TO CHICAGO Fastest Long Distance Train in World to Be Put On by the Pennsylvania Road.

PHILADELPHIA, June 2 .- The fastest long distance train in the world is about to be put on by the Pennsylvania Railroad. It will be operated between New York and Chicago, and the run will be made in eighteen hours, which is two hours faster than any service hitherto furnished by any road beween these cities. This means that the train must be run at the average rate of forty-eight miles an hour, but the actual speed will be greater than that, since stops are necessary at various points to change locomotives

The best time made by any train now on the Pennsylvania Railroad's New York-Chicago schedule is 23 hours. Three years ago the Pennsylvania installed a twenty hour flyer, but later took it off, owing to its interference with the regular business, but since that time the double tracking Tokio, June 2.—Admiral Togo, replying of the line has been completed from Pittsburg to Chicago, so that the operation of this fast train will no longer embarrass the regular movements.

The great expenditures made by the Pennsylvania system in the last few years to properly care for its largely increased traffic, by building independent freight lines and straightening and shortening its passenger lines, also have been instrumental in permitting the inauguration of this eighteen-hour service. Officials of the company say that it can be maintained with-out difficulty. The new train will be estab-lished to meet the increasing demand for faster service between the chief commercial

Latest Marine Intelligence. Arrived: Sa Prins der Nederlanden, Hayti, May 28 FINE LEATHER GOODS

HYDE WINS: HARRIMAN OUT.

Three Equitable Directors Resign After Long and Stormy Session.

REPORT IS NOT ADOPTED.

Call to Hyde to "Divest Himself" of Stock Control in 3 Months.

New Office With Full Power Over All Departments to Be Created and a Committee Named to Pick & Candidate --- Hyde Vields to These Demands After Fiarriman Retires-Attacked Latter at the Meeting Until He Could Only "Wow-Wow-Wow" -- Schiff Jumps to Tarbell's Defense-Bitss and Frick the Other Directors Who Resigned-Only 14 Votes for the Report-Hyde and Ingalis Clash.

The directors of the Equitable Life Assurnce Society practically rejected vesterday the report of the Frick investigating committee, only fourteen of the forty men who attended the board's meeting having recorded themselves in a test vote as favoring

As a result of this Henry C. Frick, the chairman of the committee and two other nembers, Edward H. Harriman and Cornelius N. Bliss, have resigned from the directorate of the society, and the resignation of others on the committee will probably follow

Mr. Frick, Mr. Harriman and Jacob H. Schiff, who was accused with the first two by Mr. Hyde of having entered into a conspiracy to deprive him of his stock control of the society, left the meeting, as also did Melville E. Ingalls, another member of the Frick committee.

After the withdrawal of Harriman, Frick to-day a telegram from the Czar, thanking and Schiff, Mr. Hyde, remarking that the society was now purged much more thoroughly than it would have been by his tirement, voluntarily offered to divest imself of the stock control of the society.

He had, he declared, vowed that he would ever withdraw under fire, but he was ready under the circumstances to make concessions. The board availed litself of the offer, passing a resolution that Mr. Hyde be "requested, within three months. to divest himself of the control of the stock The Chinese are alarmed lest Japan fulfil of the society, on such terms and conditions

of the board be created, with plenary power over all departments and affairs of named to nominate a candidate and report his name to the board at an adjourned meeting next Wednesday. The board also recommended that the executive committee

of the board be reorganized. MEETING ONE CONTINUOUS UPROAR. The meeting was the stormiest of its kind of which Wall Street has any record. Personalities were dealt in, and for more than two hours in the afternoon session the board was practically in a continuous uproar. Mr. Hyde accused Mr. Harriman of having entered into a conspiracy with Jacob H. Schiff and Mr. Frick and others to de-

prive him of control. He spoke in the plainest kind of words. He declared before Mr. Harriman's face that he (Harriman) had promised him immunity from the charges that had been made against him and had thrown him over in an effort to promote his own selfish interest. He declared further that Mr. Harriman only recently had made him a "ridiculously low" offer for his stock. To these charges Mr. Harriman attempted to reply but lost control of himself completely and shouted out:

HARRIMAN'S "WOW-WOW-WOW.

"Wow-wow-wow. That the Frick and Alexander force were allied in the meeting was evident, but that their purpose was anything other than to thwart what they regarded as a gigantic conspiracy was denied by both sides. This, they declared after the meeting, they had accomplished and in doing so had conferred an inestimable benefit on the Equitable society. Members of the Frick committee, on the other hand, declared that the action of the board toward their report was little less than traitorous. on the part of those who had been hit hard by a committee which they themselves had authorized to investigate to shrink away from publicity and prevent the consequences which their misdeeds ought rightfully to bring upon them.

Instead of conferring upon the society a benefit the directors in this league, members of the committee declared, have struck the Equitable a blow from which it may never recover. They branded the whole performance as "disgusting." They considered the resolution to the surrender by Hyde of his stock control as insincere a disingenuous, and they declared that the creation of a chairman of the board under esent circumstances would merely result in the perpetuation of the present régime. That the result of the meeting would, however, end the controversy between Hyde and Alexander was the opinion expressed

CROWD WHEN THE DIRECTORS GATHERED. The meeting was called to order at 11 o'clock in the morning. At that time the corridors of the Equitable Building were thronging with people, the most of them there on business connected with the meet

THE SECOND EMPIRE.

osity to see the directors. The directors had to elbow passage room through the

The meeting was called to order by President Alexander. He read a paper in reply to the charges which had been made against him in the Frick report. He maintained that the business of the society had been well conducted, that the management of the agency department had been superior, that the growth and the progress of the Equitable has been the marvel of the country for the last twenty-five years and that its financial solidity entitled it to be known as the strongest life insurance company in the world. Mr. Alexander denied the charge that the company had been managed extravagantly and compared the results attained by the Equitable with those attained by other large companies.

HYDE REPLIES TO THE CHARGES.

Mr. Hyde followed Mr. Alexander. He began by saying that he recognized this to be the crisis of his life. From the beginning of the unfortunate controversy, he declared, he had endeavored to bear his troubles patiently and with the dignity befitting the high office which he held. But even patience, be said, had its limits, and the welfare of the society, which was nearer his heart than any other interest, required him now to speak out in no uncertain tone for its good name, which, he asserted, had

been assailed and dragged in the dust. He then proceeded to take up in detail the charges against him. He declared that if any honest man could find in the evidence before the committee a single word or fact that could be construed into wrongdoing he would surrender his stock and retire to the oblivion which he would justly deserve. He admitted that he was young and had been still younger when he assumed office in the society, but that was a crime, he declared, which time would cure. He admitted also that he had been trustful of those who had professed to be his friends, but he had already, he said, been sufficiently punished for having too much trust in

them. Mr. Hyde insisted that there was not single act throughout his entire career with the society which was the subject of just criticism on the part of the fair minded man, with the possible exception of the Cambon dinner. That, he declared, was a matter of honest difference of opinion as to business methods. He said that, although he had deposited \$12,000, representing the total cost of the dinner, with the cashier of the society, he felt that he ought to receive it back.

He went into details in regard to the charges that he had profited in the underwriting syndicates which sold bonds to the Equitable, declaring, as he has be fore, that the society made large profits from these syndicate transactions and that he had been advised by counsel that he had ' 'e no wrong. Mr. Hyde said that he proport to insist on his right to those commissions amounting to \$61,000, the check for which was deposited by Hyde with the Equitable's cashier. He

concluded by demanding the utter re-jection and repudiation of any report that riticized his administration and asserted that he would force an opportunity to let the public know what was behind the attacks. After this the board adjourned

DEFENDS THE DEFERRED DIVIDEND PLAN. William Alexander, the society's secretary, followed Mr. Hyde with a speech in which he declared that the deferred elimination of which is recommended by the Frick report, was decidedly advanthe society. A committee of seven was tageous as compared to the annual dividend told how advantageous the Equitable's connection with its subsidiary companies,

> defended the agency management. TABBELL PLEADS FOR HIS DEPARTMENT. He said that he could not understand how the committee could justly make any report whatever regarding the conduct of the society's agencies, for the reason that the accounts for which the committee had asked and which had been compiled as rapidly as possible had not been com pleted at the time when the committee's report was made, and had of course never

the Equitable and Mercantile trust com-

panies, had been, and then Mr. Tarbell

been delivered to the committee. The criticisms of the Frick committee on his department, Mr. Tarbell declared, were based on the evidence of three or four statements sent to the committee from unfriendly sources. Mr. Tarbell said that the committee had called attention to the large agency balances for the last five years but had omitted to mention the fact that the savings in the first year's commissions under the new system of compensation, adopted at the beginning of 1900, exceeded by more than \$600,000 the entire increase in agents' balances. Mr Tarbell denied the charges of extravagance in other matters connected with the conduct of his department, citing the figures of the auditor to prove his statements. All of the Frick committee's charges against him, he declared, were based not on actual facts, but on unauthoritative

eports that had been sent to them. He asserted that the Equitable was more economically managed than others of the big companies and cited figures to sustain his assertions. He submitted a letter from the actuary of the society commending the management of the agency business of the society under Mr. Tarbell's supervision. He expressed surprise that the Frick committee had made no mention of the question of mutualization which, he declared, was the most important question that had been before the board. He protested against the injustice of censuring him upon a report founded on ex parte information and without allowing him a hearing on the

"I will not," he declared, "allow such charges to go upon the record of the board unchallenged."

SCHIFF BUSHES TO THE DEFENSE.

Up to that time the drift of affairs in the meeting had been comparatively tranquil. Everybody had expected that speeches in defense would be made and that an effort would be made to discredit the findings of the Frick committee. But after Mr. Tarbell had finished something occurred which took a good part of the board by surprise.

Jacob H. Schiff arose and launched out into a eulogy of Mr. Tarbell. Mr. Schiff up to that time had been regarded as absolutely in line with the Harriman coterie

Continued on Third Page

Tale-Princeton Game, Saturday, June third, three o'clock, at New Haven. Plenty of good reserved seats to be had in New Haven. Price, one dollar.—Adr.

## HERE'S THE FRICK REPORT.

Committee Called for a Radical Reorganization of the Society.

HOT SHOT FOR OFFICERS.

Demands That Alexander, Hyde and Tarbell Withdraw.

Details of the Syndicate Transactions Are Laid Bare-All Participants Consured and Called Upon to Refund Profits -Hyde Is Accused of Gross Irregularies ties and Alexander Is Scored for Participating in Underwriting Schemes and for Remaining Silent So Long About Hyde's Shortcomings-Recommendation That Deferred Dividend Policies He Done Away With-Outside Entangling Alliances Strongly Criticized

The report of the Frick committee, which covers thirty-eight printed pages and is signed by the five remaining members, is a most scathing arraignment of the management of the Equitable Life Assurance Society. It condemns unreservedly all the transactions of the syndicate known as "James H. Hyde and Associates," calls on all other directors besides him who participated in the profits to make restitution and recommends that President Alexander. First Vice-President Hyde and Second Vice-President Tarbell should be removed. Nothing could be plainer than the language in which the report is couched, and a perusal of it seems to justify the remark of M. E. Ingails, one of the committee, that he would be lucky if he got out of town alive when it was published.

OFFICERS RELUCTANT TO GIVE INFORMATION. After reciting the history of the company and the manner in which it is governed the report tells of the evident reluctance of the officers to come forward with the necessary information to make the investigation successful. On April 8 a letter was addressed to President Alexander asking for specific data embodied in eleven different requests. On April 25 the committee viewed "with surprise and regret that to this date none of the information

asked for" had been received. Mr. Hyde finally sent a communication revealing all the transactions of 'James H. Hyde and Associates" by which he and several other directors made large profits out of securities which were afterward time Mr. Alexander addressed a letter to the committee in which he accused Mr. Hyde of grave irregularities in his official capacity of first vice-president. The letter

ALEXANDER COMPLAINS OF HIDE'S BOND

\*1. Speaking of Mr. Hyde, I proceeded in my statement to the committee of twelve to say that he has committed the society to transactions, positions, relations and agreements without prior consultation with the president or other officers or with the committees, calling the matter to their attention only after the society had been placed in positions from which it was

difficult, if not impossible, to recede. "For example, I mention the purchase of some \$700,000 par value of bonds of the Coney Island and Brooklyn Railroad Company, the purchase of 1,000 shares of the stock of the Hibernia Bank and Trust Company of New Orleans and the purchase of some \$1,700,000 of the preferred stock of the Union Pacific Railroad. None of these transactions was submitted beforehand

to the executive committee. "Your committee should note, in connection with these particular transactions, first, as to the Coney Island and Brooklyn Railroad bonds, that Mr. Hyde is one of the vice-presidents of that company and heavily interested in it; second, as to the Union Pacific preferred stock, that at the direction of Mr. Hyde it was entered in the books and statement of the society for Jan. 1, 1904, as a 'syndicate' holding. These purchases were made without prior consideration by the executive committee and without my knowledge. I am informed that Mr. Hyde personally was a

member of the syndicate. "Upon inquiry since made I am satisfied that this stock held by the Equitable is the proportionate amount of stock subscribed for under the syndicate agreement by Mr. Hyde individually, that one of the conditions of the agreement was that the stock shall not be sold by the individual subscribers for a period of years or some provision to that effect. This particular transaction evidences two things-the improper assumption of authority to commit the Equitable to large transactions without proper consultation and supervision and the making of the Equitable to all practical purposes a party to an agreement such as, in my opinion, it is not justified in becoming a party to by read of the fact that the agreement is speculative and binds the society to its conditions. which may not only become onerous, but damaging to its interests, and which lies entirely outside of the pale of permissible transactions for an insurance company.

SAYS HYDE TRIED TO USURP POWER OF THE PRESIDENT.

\*2. Not only does he [Mr. Hyde] thus disregard the established checks upon Commencing June 12th, the through train, New York to Bar Harbor, connecting at Portland for principal Maine resorts, will leave Grand Contral Station, N. Y., N. H. & H. R. R., at 8 P. M. daily, except Sundays, due Portland 8:30 A. M., Bar Harbor 2:00 P. M. Pullman Sleepers.—Adv.